

FOREIGN POLICY BULLETIN

An interpretation of current international events by the Research Staff of the Foreign Policy Association

FOREIGN POLICY ASSOCIATION, Incorporated

22 East 38th Street, New York 16, N. Y.

VOL. XXIII, No. 7

DECEMBER 3, 1943

SEIZURE OF GILBERTS ADVANCES WAR OF ATTRITION AGAINST JAPAN

THE lightning seizure of the Gilbert Islands in the Central Pacific by American marines who, after landing on November 20, required little more than three days to complete an extremely difficult task, has led to much conjecture concerning future offensive strategy against Japan. This is according to pattern, since each previous island attack on the Far Eastern front—such as New Guinea, Guadalcanal and Munda—has produced similar speculation about the spot at which American commanders intended to direct the next blow. In every case, however, the subsequent action has not come as rapidly as press comment had led the public to expect, and the most striking gains derived by our forces have arisen from the immediate operation rather than from any quick move beyond the territory occupied. The New Guinea offensive, for example, served first of all to preserve the original Australian foothold on that island and to protect northern Australia, while the Guadalcanal campaign helped prevent the Japanese from directly threatening our Southwest Pacific supply route. These were the immediate, tangible results that Americans perhaps did not fully appreciate. The more spectacular, long-term possibilities—such as taking Rabaul on New Britain—are still in the process of being realized.

VALUE OF THE GILBERTS. Consequently, before asking: "After the Gilberts, where do we go next?" it may be wise to inquire how the possession of these islands improves our military position. The answer is that coral atolls, such as Makin and Tarawa, will furnish valuable airfields from which land-based planes can protect shipping and fleet operations and that our supply route to the Southwest Pacific will be shortened by hundreds of miles, since we will be able to follow a less circuitous course than heretofore. This, in effect, means an increase in the number of ships available for Pacific sea-lanes.

While seizure of the Gilberts has brought us closer

to the Japanese-controlled Marshalls, and to Ocean and Nauru Islands, it must be noted that the distance from the Gilberts to these objectives is considerable—190 nautical miles from Makin to the southernmost Marshalls, 240 from Tarawa to Ocean, and 400 from Tarawa to Nauru. Moreover, while the Japanese have been in the Gilberts only since Pearl Harbor, they have had an opportunity to develop and fortify the mandated Marshalls since 1919. In view of the severity of the fighting in the Gilberts—especially on Tarawa, where from three to four thousand Japanese exacted a heavy toll before being wiped out—a considerable pause is likely before further advances are attempted from our newly won bases. Construction work will have to be undertaken, men and supplies prepared, and the lessons of the Gilbert operations assimilated.

WILL THE JAPANESE FLEET FIGHT? For some time the United States Navy has been unable to make contact with the enemy fleet, but it is now being suggested that the Tokyo admirals may feel forced to come out for a slugging match, to protect their Central Pacific island positions. Certainly the dream of such a naval showdown has animated most American and British discussions of Pacific strategy for the past quarter of a century. And it is perhaps significant that on November 24 the Tokyo radio, in a Japanese-language broadcast presumably intended for home consumption, declared that the invasion of the Gilberts "presages a real, decisive battle of the fleets." The statement added that "the strategic significance of the present American counteroffensive is extremely great. . . ."

While such a sea battle may occur, there would appear to be no absolute necessity for the Japanese to risk it at the present time. The island path from the Gilberts to the Japanese homeland is a long one, and from Tokyo's point of view it might be more prudent, under current conditions, to make us pay dear-

ly for each new island we take than to stake its fleet, perhaps lose, and thereby lay its whole Central Pacific flank open to assault. Besides, if, as some observers suggest, the feeble air defense of the Gilberts indicates a general weakness of the Japanese air forces, then it would not seem wise for Japan to risk the loss of its fleet in a naval battle in which air power would very likely play an important—perhaps a decisive—part.

STRATEGY OF THE WAR IN ASIA. Although his statement drew little comment, it may be of more than passing significance that on November 23, while the Gilbert operations were still incomplete, Admiral Chester W. Nimitz, Commander-in-Chief of the Pacific Fleet, declared: "my opinion is that Japan will be defeated from China." In this connection he pointed to China's "reservoir of personnel and the possibility of airfields in easy striking distance of Japan. . . ." Many factors may have combined to produce these remarks, but Admiral Nimitz was perhaps attempting, in part, to place the Gilbert operations in proper perspective, i.e., as one contribution to a struggle that will not be settled by the American Navy alone. Future developments on the Chinese

front could clearly be of the greatest significance for the defeat of Japan. Especially after the defeat of Germany, actions on the continent of Asia—as well as in the Pacific—will dwarf all Far Eastern operations up to the present time.

We are still engaged essentially in a war of attrition in the Far East, holding on at most points and attempting at others to improve our positions for the future. That the Japanese have grave cause for concern is indicated by the marked increase in our pressure on them from many directions during the past year. But if ultimate victory over Japan seems assured, this is not primarily because of what has been done in Asia, but because of the brightening prospects in the West, arising from the continuing Soviet offensive, the operations in Italy, the growing air attacks on Germany, the improved political relations of the leading United Nations, and the possibility of an early invasion of western Europe. Only when these and other factors have combined to bring about the defeat of the Nazis will full-scale action be possible against Japan.

LAWRENCE K. ROSINGER

CRITICISM OF CANOL RAISES PROBLEM IN U.S.-CANADIAN RELATIONS

Although the \$134,000,000 Canol project financed by the U.S. War Department in the Canadian Northwest is not likely to be "junked now," in accordance with Petroleum Administrator Harold L. Ickes' recommendation of November 22, its future is far from clear and its post-war disposition may raise a number of difficult issues in American-Canadian relations.

Canol is more than an oil pipeline and a refinery. It is a group of projects related to the Alaska Highway, to the air route to Siberia, to Catel (the telegraph and wireless system servicing the area), and to the entire defense of Alaska. It provides for development of the oil fields near Fort Norman on the Mackenzie River, and construction of a 600-mile pipeline to transport crude oil from these fields to Whitehorse, Yukon, a midway point on the Alaska Highway. At the same time, a dismantled Texas refinery is being reassembled at Whitehorse to process gasoline and other petroleum products, and pipelines are being constructed to carry gasoline from Whitehorse to Skagway, Alaska, at the head of the Inland Passage; to Fairbanks, northern terminus of the Highway; and to Watson Lake at the border of the Yukon and British Columbia.

As Under Secretary of War Patterson explained to the Truman Committee, the Canol venture was conceived soon after Pearl Harbor to meet the Japanese threat to Alaska. Since defense of the area was largely dependent on air power and there was no assurance that the Navy could keep the sea-lanes open for tankers, it was decided that new oil resources must

be developed near Alaska regardless of cost. In April 1942, after hurried investigation, a project for expanding output of the Fort Norman oil fields was initiated, with the expectation that it would be possible to draw 3,000 barrels a day from the field. The development is now nearing completion. The pipeline from Norman to Whitehorse is scheduled for operation by January 1944, the refinery at Whitehorse is expected to go into production in May, and the other pipelines are either already completed or nearly so. Output of 20,000 barrels of crude oil a day is now anticipated, although it may not be possible to take advantage of this increase, since the Whitehorse refinery was designed to handle only 3,000 barrels daily. In view of Mr. Patterson's disclosure that, after reconsideration of the project in July 1943, the United States General Staff determined it should be completed to provide support for an air offensive against Japan, it seems unlikely that the venture will be abandoned, even though the Japanese withdrawal from the Aleutians has undoubtedly reduced the need for it.

POST-WAR SETTLEMENT. Mr. Ickes' recommendation that Canol be scrapped or that, alternatively, this country retain a permanent peacetime share of the Norman oil, occasioned considerable surprise in Ottawa. Not only was the project undertaken at the insistence of the U.S. Army, but agreements with the Canadian government were negotiated through regular State Department channels. The terms of the arrangement, as laid down in an

exchange of notes, provided that the pipelines and refinery remain the property of the United States government during the war and be operated for it under contract. At the close of hostilities the value of the pipelines and refinery are to be established by an American and a Canadian appraiser, and the Canadian government is to have the first option to purchase the properties. It was further agreed that the equipment should not be dismantled by either government without the approval of the Permanent Joint Defense Board. Post-war oil rights are to be shared equally by the Canadian government and the Imperial Oil Company, a Canadian corporation now operating the Norman field.

Since the United States — although apparently without the Petroleum Administrator's knowledge — considered the Canol development justified solely as a war expenditure, and it was undertaken on this basis, it seems no more likely that Washington will press Ottawa for revision on this than that it will seek to revise agreements whereby all but the movable equipment on American-built air bases in Canada reverts to the Dominion six months after the close of the war. Difficulties are much more probable in connection with the maintenance, as part of a permanent North American defense system, of the Alaska Highway, Canol, Catel and the air bases.

It is doubtful whether Canada will be able to support these projects; it is also doubtful whether the United States will wish to share this expense without sharing control — which Canadians in turn would consider an infringement of their sovereignty. Two developments, however, might do much to remove any danger of friction over this matter: first, the establishment of a world security system in which no danger threatened in the North Pacific; second, the economic growth of Northwestern Canada and Alaska along the lines envisaged in a program of the National Resources Planning Board. With defense needs reduced to a minimum and economic develop-

ment put on a sound basis, the cost of maintaining war-built projects in this area should not be beyond the means of Canada, and the material gains made as a result of military pressure should prove of benefit to both countries.

HOWARD P. WHIDDEN, JR.

Singapore Is Silent, by George Weller. New York, Harcourt Brace, 1943. \$3.00

An interesting account of the fall of Singapore, served up with geopolitical trimmings. As usual, geopolitics has the effect of separating us from our allies. The author believes that we must take over "a chain of heavy and permanent American bases in Southeast Asia," making of the British a junior partner. He also fears Russian influence in this area. Unlike some other geopoliticians, however, he considers that Japan will remain our enemy.

I Served on Bataan, by Juanita Redmond. New York, Lipincott, 1942. \$1.75

Story of the medical side of war with the Japanese by an Army nurse who served on Bataan and Corregidor. Marked by human interest and feeling.

Years of Blindness, by H. G. Quaritch Wales. New York, Crowell, 1943. \$3.00

A British writer examines with sober understanding two of the primary developments in Southeast Asia over a period of years: the decline of imperial prestige and the rise of native nationalism. He has faith in the ability of the people of Asia to rule themselves and urges "a basic change in our attitude" toward them, to make future co-operation possible.

Miracle in Hellas, by Betty Wason. New York, Macmillan, 1943. \$2.75

Gives the story of Greece under Nazi occupation with great admiration for the brave role played by the people.

Preview of History, by Raymond Gram Swing. Garden City, Doubleday, Doran, 1943. \$2.00

Many of his broadcasts and speeches, plus a discussion of a power peace.

Fightin' Oil, by Harold M. Ickes. New York, Knopf, 1943. \$1.75

The entertaining controversialist tells clearly oil's wartime job from his point of vantage as Petroleum Administrator for War.

Royal India, by Maud Diver. New York, Appleton-Century, 1942. \$3.50

An account of fifteen Indian states and their rulers. The material presented can be of use to the student of India, but few will agree with the author's fulsome praise of the princes or her desire to see all India become a Princely Federation.

To All Hands: An Amphibious Adventure, by John Mason Brown, Lieutenant, USNR. New York, Whittlesey House, 1943. \$2.75

Admiral Kirk's discernment was justified when he chose the urbane former drama critic to serve as eyes for below-decks men and to describe the action of which they were so large a part. The daily talks are the epitome of seriousness done with a light touch, while photographs and sketches add vividness.

JUST PUBLISHED—*an analysis of the pivotal position of the Dominions — Canada, Australia, New Zealand and the Union of South Africa — in the strategy of the United Nations.*

THE DOMINIONS LOOK TO THE FUTURE

by Gwendolen M. Carter

25c

December 1 issue of FOREIGN POLICY REPORTS

REPORTS are issued on the 1st and 15th of each month.

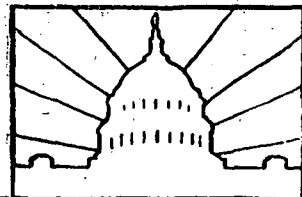
Subscription \$5; to FPA members, \$3.

FOREIGN POLICY BULLETIN. Vol. XXIII, No. 7, DECEMBER 3, 1943. Published weekly by the Foreign Policy Association, Incorporated. National Headquarters, 22 East 38th Street, New York 16, N. Y. FRANK ROSS MCCOY, *President*; DOROTHY F. LEBT, *Secretary*; VERA MICHELES DEAN, *Editor*. Entered as second-class matter December 2, 1921, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Three Dollars a Year. Please allow at least one month for change of address on membership publications.

F. P. A. Membership (which includes the Bulletin), Five Dollars a Year

Produced under union conditions and composed and printed by union labor.

Washington News Letter



Nov. 29.—On November 27, the day after Senator Hugh Butler of Nebraska offered his critical report to Congress on the United States' Latin American policy, Colombia declared war on Germany. This action was a forceful comment on the ignorance displayed in the Senator's findings after a two-month visit to the American republics. Butler said that the United States, by "boondoggling" programs, was creating contempt and enmity for us in the nations to the south. He reported that this country had spent \$6,000,000,000 in the other Americas in wasteful New Dealish undertakings. The Butler report, perhaps the most energetic criticism of United States hemisphere policy ever made, ignored the historical and geographic reasons for that policy.

The Good Neighbor and continental solidarity policies introduced under the Roosevelt Administration are logical contemporary corollaries of the idea that underlay the enunciation of the Monroe Doctrine 120 years ago. The objective of this country's Latin American policy is to safeguard the United States and its institutions, and the war has shown its soundness. All the Republics with the exception of Argentina have helped the United States in the conduct of the war. They have contributed to the security of the Panama Canal. They have provided us with invaluable raw materials, one example being the Latin American fiber from which rope is made, and for which in the past we were dependent on regions now under Japanese control. They have given us air and naval bases from which the United States and its Latin American allies have attacked the U-boat menace. Above all, the Good Neighbor policy helped eliminate any possible German threat to South America from Dakar, which lies across a relatively narrow span of the South Atlantic from Natal, Brazil.

HIGH COST OF WAR. The essence of the Butler complaint is that the United States is paying too high a price for the collaboration of the other American republics against the enemy. The view in Washington is that, in the absence of that collaboration, the United States would have been forced to expend a far larger sum to finance forced military occupations to save a number of Latin American countries from Axis penetration. As to the exact sum expended Nelson Rockefeller, Coordinator of Inter-American

Affairs, says it is \$600,000,000, and Chairman McKellar of the Senate Appropriations Committee declares it to be \$2,207,000,000. Both figures are far below the \$6,000,000,000 mentioned by Senator Butler, but the issue basically is not how much was spent but whether the price of victory can ever be too high.

That extravagance could have been avoided in the conduct of a wartime hemisphere policy is hardly credible. Findings of the Senate Truman Committee and other groups show it has been unavoidable at home, and reports of newspapermen who recently toured the Amazon Basin reveal a distressing failure in the costly attempt to promote rubber cultivation in the interior of the South American continent. The quarrel last summer between Vice President Wallace, chairman of the Board of Economic Warfare, and chairman Jesse Jones of the Reconstruction Finance Corporation was a Washington sensation; Wallace held that the United States should follow a liberal policy in buying strategic materials in South America, while Jones argued for a banker's policy of getting needed goods at favorable prices. As an illustration of the thesis that when goods are vital price is no concern, Wallace pointed to the Jones hold-up of the program to purchase Latin American quinine, essential for guarding the health of American troops in tropical climates.

A CONTINUING POLICY. The Good Neighbor policy to which Senator Butler objects existed long before the war. It was built on the basis of the Monroe Doctrine and the Pan-Americanism born in the Administration of Benjamin Harrison. It was solidified by the meetings of the American Republics at Montevideo in 1933, Buenos Aires in 1936, Lima in 1938, Panama in 1939, Havana in 1940, and Rio de Janeiro in 1942. Until the fall of France, the financial expenditure of the United States on promotion of this policy was limited almost wholly to Export-Import Bank loans, on which \$62,000,000 was outstanding on June 30, 1940. The continental solidarity policy has not been a complete success in keeping out of Latin America European commercial and propaganda interests inimical to the United States; but it is a success in that thirteen Latin American republics are our active allies and six others have broken relations with the Axis.

BLAIR BOLLES

1918—TWENTY-FIFTH ANNIVERSARY OF THE F.P.A.—1943